

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

DOCKET**07-AFC-8**

DATE DEC 03 2008

RECD. DEC 03 2008

**NOTICE OF AVAILABILITY
PRELIMINARY STAFF ASSESSMENT
FOR THE CARRIZO ENERGY SOLAR FARM PROJECT
APPLICATION FOR CERTIFICATION (07-AFC-8)**

This notice is to inform you of the availability of the Preliminary Staff Assessment (PSA) for the Carrizo Energy Solar Farm (CESF) Project Application for Certification (07-AFC-8). The PSA was published on November 21, 2008. The PSA contains the California Energy Commission staff's initial engineering and environmental evaluation of the CESF project. Staff finds that the CESF project would comply with all applicable laws, ordinances, regulations and standards (LORS) with the exception of Land Use and Visual Resources which are undetermined at this time. Staff's preliminary conclusions are that significant adverse direct, indirect or cumulative impacts are not likely to occur in most of the technical areas examined. For six areas, staff has concluded that significant impacts may occur or are undetermined: Biological Resources, Noise and Vibration, Soil and Water Resources, Traffic and Transportation, and Visual Resources. Staff is continuing its analysis in the above six technical areas, and the issues are summarized in the paragraphs below.

Biological Resources

The CESF would impact 1,020 acres (including the 640 acre project site and 380 acre laydown area) of dry farmed and grazing lands and other disturbed areas that provide habitat and corridors for multiple protected wildlife species. These species include the federally-endangered and state-threatened San Joaquin kit fox, the rare native game species pronghorn, American badger, burrowing owl, the rare native game species tule elk, raptors and California Species of Special Concern pallid bat. In addition to creating direct impacts, the project may contribute to cumulative impacts as a result of two other photovoltaic (PV) solar projects proposed for the Carrizo Plain, Optisolar's Topaz Solar Farm proposed for development on 6,200 acres and SunPower's California Valley Solar Ranch proposed for development on approximately 2,200 acres.

Energy Commission staff, is working with the California Department of Fish and Game (CDFG), U.S. Fish and Wildlife Service (USFWS), San Luis Obispo County (county), and the CESF applicant to assess habitat quality and connectivity issues. The county's role is to assist the Energy Commission staff in evaluating environmental effects of this project pursuant to County LORS. The county is the California Environmental Quality Act (CEQA) lead agency considering applications for Special Use Permits for the two PV solar projects. Staff believes that the county will be successful in encouraging the two PV solar applicants to also participate in the habitat and connectivity assessment process. Staff, in consultation with CDFG and USFWS, believes that a significant suite of measures will be required to mitigate project-related impacts. Staff believes that these should include at a minimum the provision of an appropriate amount of habitat compensation land, a suitable endowment to ensure the permanent care and protection

of this land, and other mitigation measures yet to be developed. Other details remain to be addressed, such as the need for the CESF applicant to secure from CDFG both an identification of the requirements necessary to obtain an Incidental Take Permit and a Streambed Alteration Agreement, and to obtain a Biological Opinion from the USFWS.

Land Use

The proposed project would result in the permanent conversion of 640 acres of agricultural land to a non-agricultural use (i.e., a solar energy farm), which represents a significant impact. Energy Commission staff is proposing conditions of certification to ensure that the proposed project provides mitigation for this impact, and to ensure that the project is constructed and operated in accordance with the San Luis Obispo County's minimum development standards for electric generating plants in the Agriculture (AG) zone. Staff's proposed mitigation for this agricultural land conversion is consistent with San Luis Obispo County Department of Agriculture's recommendations contained in a letter to the Commission. Staff will continue to work with San Luis Obispo County to determine the project's compliance with chapter 22.32.030 of the San Luis Obispo County Land Use Ordinance, which addresses project bonding, environmental quality assurance, conditions for clearing and revegetation, and utility interconnections.

Noise

Staff concludes that the project as proposed would cause significant adverse noise impacts on people within the affected area during both construction and operation. Staff is requesting the applicant to prepare a draft Noise Mitigation Plan demonstrating that the significant noise impacts identified for project construction and operation can be reduced to less than significant levels. Staff will need to evaluate this plan before drawing further conclusions in the Final Staff Assessment (FSA).

Soil and Water

Staff concludes that with implementation of Best Management Practices (BMPs) during CESF construction, CESF would avoid significant adverse effects that could otherwise result in significant transport of sediments and/or contaminants from the site by wind or water erosion. Staff also concludes that the proposed use of groundwater for the project's process and potable water needs would not cause a significant adverse environmental impact or affect current or future users of groundwater. However, staff has identified several potentially significant impacts that it is requesting the applicant to address before the FSA including: 1) demonstrate that the two temporary crossings of Carriza Creek will not cause upstream flooding effects; 2) confirm the quantity of water needed for construction; 3) propose provisions to allow stormwater draining onto the CESF site to pass through and continue to flow into Carriza Creek so that natural flows do not significantly diminish 4) confirm the design capacity of the septic tank is adequate; and 5) address other soil stabilization and stormwater concerns.

Traffic and Transportation

Staff concludes that the Carrizo Energy Solar Farm project would have significant adverse traffic and transportation-related impacts related to construction activities. In particular, equipment deliveries during construction that would require pilot cars and/or California Highway Patrol escorts, would result in substantial delays (i.e., up to 31 minutes) to vehicle traffic along State Route 58. Staff is requesting the applicant to further evaluate and propose additional mitigation measures in a comprehensive draft Traffic Mitigation Plan that could reduce or eliminate the significance of these impacts.

Visual Resources

The CESF, as a proposed thermal solar project covering 640 acres, is the first project of its kind that Energy Commission visual resource staff has had to evaluate for visual impacts. The size of the project, in the setting of a sparsely populated rural area, presents staff with complex aesthetic issues related to the transformation of the northern Carrizo Plain, including the contribution to potential cumulative impacts associated with the proposed PV solar projects. There is a potential that the project may have a substantial negative effect on the environment of persons in general, including public and private views and other features of beauty. To ensure that an appropriate analysis is conducted for this project, staff is taking time between the Preliminary and Final Staff Assessments to gather additional information about the project's impact upon the visual integrity of the area. Yet to be considered is additional information related to the construction laydown area, landscaping, a review of the glint and glare study and cumulative impacts.

Agencies and members of the public are encouraged to participate in the PSA review process. Written comments should be provided by December 31, 2008. You may also present your views at the PSA workshop that will be held on December 15, 2008 in the Carrizo Plains, which will be noticed separately.

The PSA is available for review at the following local libraries:

San Luis Obispo County Library
995 Palm Street
San Luis Obispo, CA 93401

Santa Margarita Library
9630 Murphy Avenue
Santa Margarita, CA 93453

Simmler Library
13080 Soda Lake Road
Simmler, CA 93453

Paso Robles Public Library
1000 Spring Street
Paso Robles, CA 93446-2534

Atascadero Public Library
6850 Morro Road
Atascadero, CA 93422-4123

Creston Library
6290 Adams Street
Creston, Ca 93432

Kern County Library Taft Branch
27 Emmons Park Drive
Taft, CA 93268-2310

December 3, 2008

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Eureka, Fresno, San Francisco, Los Angeles, and San Diego.

The PSA is also available on the Internet (see below). However, if you would like a paper copy or CD of the PSA, please fill out the enclosed form and return it to California Energy Commission, Attention: Hilarie Anderson, Siting Project Secretary, at (916) 651-0479, or by e-mail at handerso@energy.state.ca.us.

If you desire information on how to participate in the Energy Commission's review of the project, please contact the Energy Commission Public Adviser, Elena Miller, at (916) 654-4489 or toll free in California at (800) 822-6228. Technical or project schedule questions should be directed to John Kessler, Energy Commission Project Manager, at (916) 654-4679 or at jkessler@energy.state.ca.us. The status of the project, an electronic copy of the Application for Certification, the PSA, copies of notices, and other relevant documents are also available on the Energy Commission's web site at www.energy.ca.gov/siting_cases/carrizo/index.html.

If you need reasonable accommodation in terms of assistance or for language translation, please contact Lourdes Quiroz of the Administrative Services Division at (916) 654-5146, or e-mail Lourdes at lquiroz@energy.state.ca.us. News media inquiries should be directed to Assistant Executive Director, Susanne Garfield, at (916) 654-4989.

Sincerely,

EILEEN ALLEN
Siting and Compliance Office Manager

Date

Enclosure
Mailed to lists:
7270 - General
7271 - Property Owners

Please send me a paper copy / CD (circle one) of the California Energy Commission staff's Preliminary Staff Assessment for the Carrizo Energy Solar Farm (CESF) Project Application for Certification (07-AFC-8).

Name:

Address:

City/State/Zip:

FOLD HERE

California Energy Commission
Attention: Hilarie Anderson
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512

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